LEGISLATURE OF NEBRASKA

ONE HUNDRED FOURTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 960

FINAL READING

Introduced by Smith, 14; at the request of the Governor.

Read first time January 14, 2016

Committee: Appropriations

A BILL FOR AN ACT relating to transportation; to amend sections 39-1365 1 2 and 73-101, Reissue Revised Statutes of Nebraska, sections 39-1365.02 and 73-307, Revised Statutes Cumulative Supplement, 2014, 3 and sections 39-1348, 81-1701, and 84-612, Revised Statutes 4 5 Supplement, 2015; to adopt the Transportation Innovation Act; to change provisions relating to road and bridge construction projects; 6 7 to restate intent; to change reporting requirements; to exempt 8 certain projects from public bidding and contracting requirements as 9 prescribed; to provide for a transfer from the Cash Reserve Fund; to 10 harmonize provisions; to repeal the original sections; and to declare an emergency. 11

1 Section 1. Sections 1 to 24 of this act shall be known and may be

- 2 <u>cited as the Transportation Innovation Act.</u>
- 3 Sec. 2. For purposes of the Transportation Innovation Act:
- 4 (1) Alternative technical concept means changes suggested by a
- 5 qualified, eligible, short-listed design-builder to the department's
- 6 basic configurations, project scope, design, or construction criteria;
- 7 (2) Best value-based selection process means a process of selecting
- 8 <u>a design-builder using price</u>, schedule, and qualifications for evaluation
- 9 factors;
- 10 (3) Construction manager means the legal entity which proposes to
- 11 <u>enter into a construction manager-general contractor contract pursuant to</u>
- 12 the act;
- 13 <u>(4) Construction manager-general contractor contract means a</u>
- 14 contract which is subject to a qualification-based selection process
- 15 between the department and a construction manager to furnish
- 16 preconstruction services during the design development phase of the
- 17 project and, if an agreement can be reached which is satisfactory to the
- 18 department, construction services for the construction phase of the
- 19 project;
- 20 <u>(5) Construction services means activities associated with building</u>
- 21 the project;
- 22 (6) Department means the Department of Roads;
- 23 <u>(7) Design-build contract means a contract between the department</u>
- 24 and a design-builder which is subject to a best value-based selection
- 25 process to furnish (a) architectural, engineering, and related design
- 26 <u>services and (b) labor, materials, supplies, equipment, and construction</u>
- 27 services;
- 28 <u>(8) Design-builder means the legal entity which proposes to enter</u>
- 29 <u>into a design-build contract;</u>
- 30 (9) Multimodal transportation network means the interconnected
- 31 system of highways, roads, streets, rail lines, river ports, and transit

1 systems which facilitates the movement of people and freight to enhance

- 2 Nebraska's economy;
- 3 (10) Preconstruction services means all nonconstruction-related
- 4 services that a construction manager performs in relation to the design
- 5 of the project before execution of a contract for construction services.
- 6 <u>Preconstruction services includes, but is not limited to, cost</u>
- 7 estimating, value engineering studies, constructability reviews, delivery
- 8 schedule assessments, and life-cycle analysis;
- 9 (11) Project performance criteria means the performance requirements
- 10 of the project suitable to allow the design-builder to make a proposal.
- 11 <u>Performance requirements shall include, but are not limited to, the</u>
- 12 <u>following, if required by the project: Capacity, durability, standards,</u>
- 13 ingress and egress requirements, description of the site, surveys, soil
- 14 and environmental information concerning the site, material quality
- 15 standards, design and milestone dates, site development requirements,
- 16 compliance with applicable law, and other criteria for the intended use
- 17 of the project;
- 18 (12) Proposal means an offer in response to a request for proposals
- 19 (a) by a design-builder to enter into a design-build contract or (b) by a
- 20 construction manager to enter into a construction manager-general
- 21 <u>contractor contract;</u>
- 22 (13) Qualification-based selection process means a process of
- 23 selecting a construction manager based on qualifications;
- 24 (14) Request for proposals means the documentation by which the
- 25 department solicits proposals; and
- 26 (15) Request for qualifications means the documentation or
- 27 publication by which the department solicits qualifications.
- Sec. 3. (1) The Transportation Infrastructure Bank Fund is created.
- 29 The fund shall be administered by the department and shall be used for
- 30 purposes of sections 3 to 7 of this act. Any money in the fund available
- 31 for investment shall be invested by the state investment officer pursuant

- 1 to the Nebraska Capital Expansion Act and the Nebraska State Funds
- 2 Investment Act. Investment earnings from investment of money in the fund
- 3 shall be credited to the fund.
- 4 (2) The Transportation Infrastructure Bank Fund shall consist of
- 5 <u>money transferred from the Cash Reserve Fund pursuant to section 84-612</u>
- 6 and any other money as determined by the Legislature.
- 7 (3) It is the intent of the Legislature that additional fuel tax
- 8 <u>revenue generated by Laws 2015, LB610, shall be transferred from the</u>
- 9 Roads Operations Cash Fund to the Transportation Infrastructure Bank
- 10 Fund. Transfers shall be initiated each fiscal year by the State
- 11 Treasurer following certification of revenue receipts by the Director-
- 12 <u>State Engineer from July 1, 2016, through June 2033. Transferred funds</u>
- 13 shall be used for purposes of sections 3 to 7 of this act.
- 14 Sec. 4. The Accelerated State Highway Capital Improvement Program
- 15 <u>is created. The department shall administer the program using funds from</u>
- 16 the Transportation Infrastructure Bank Fund. The purpose of the program
- 17 <u>is to accelerate capital improvement projects to provide the earliest</u>
- 18 possible mobility, freight, and safety benefits to the state, thereby
- 19 accelerating enhancements to the state's economy and the quality of life
- 20 of the general public. The department shall develop the program. The
- 21 projects eligible for funding under the program include construction of
- 22 the expressway system and federally designated high priority corridors
- and needs-driven capacity improvements across the state.
- Sec. 5. (1) The County Bridge Match Program is created. The
- 25 department shall administer the program using funds from the
- 26 Transportation Infrastructure Bank Fund, except that no more than forty
- 27 million dollars shall be expended for this program. The purpose of the
- 28 program is to promote innovative solutions and provide additional funding
- 29 to accelerate the repair and replacement of deficient bridges on the
- 30 county road system. The department shall develop the program, including
- 31 participation criteria and matching fund requirements for counties, in

- 1 consultation with a statewide association representing county officials.
- 2 Participation by counties in the program shall be voluntary. The details
- 3 of the program shall be presented to the Appropriations Committee and the
- 4 Transportation and Telecommunications Committee of the Legislature on or
- 5 before December 1, 2016.
- 6 (2) The County Bridge Match Program terminates on June 30, 2023.
- 7 Sec. 6. The Economic Opportunity Program is created. The Department
- 8 of Roads shall administer the program in consultation with the Department
- 9 of Economic Development using funds from the Transportation
- 10 Infrastructure Bank Fund, except that no more than twenty million dollars
- 11 shall be expended for this program. The purpose of the program is to
- 12 finance transportation improvements to attract and support new businesses
- 13 and business expansions by successfully connecting such businesses to
- 14 Nebraska's multimodal transportation network and to increase employment,
- 15 create high-quality jobs, increase business investment, and revitalize
- 16 rural and other distressed areas of the state. The Department of Roads
- 17 shall develop the program, including the application process, criteria
- 18 for providing funding, matching requirements, and provisions for
- 19 recapturing funds awarded for projects with unmet obligations, in
- 20 consultation with statewide associations representing municipal and
- 21 county officials, economic developers, and the Department of Economic
- 22 Development. No project shall be approved through the Economic
- 23 Opportunity Program without an economic impact analysis proving positive
- 24 economic impact. The details of the program shall be presented to the
- 25 Appropriations Committee and the Transportation and Telecommunications
- 26 Committee of the Legislature on or before December 1, 2016.
- 27 Sec. 7. Sections 3 to 7 of this act terminate on June 30, 2033. The
- 28 State Treasurer shall transfer any unobligated funds remaining in the
- 29 <u>Transportation Infrastructure Bank Fund on such date to the Cash Reserve</u>
- 30 <u>Fund</u>.
- 31 Sec. 8. The purpose of sections 8 to 23 of this act is to provide

- 1 the department alternative methods of contracting for public projects.
- 2 The alternative methods of contracting shall be available to the
- 3 department for use on any project regardless of the funding source.
- 4 Notwithstanding any other provision of state law to the contrary, the
- 5 Transportation Innovation Act shall govern the design-build and
- 6 <u>construction manager-general contractor procurement process.</u>
- 7 Sec. 9. The department, in accordance with sections 8 to 23 of this
- 8 act, may solicit and execute a design-build contract or a construction
- 9 manager-general contractor contract for a public project, other than a
- 10 project that is primarily resurfacing, rehabilitation, or restoration.
- 11 Sec. 10. <u>The department may hire an engineering or architectural</u>
- 12 consultant to assist the department with the development of project
- 13 performance criteria and requests for proposals, with evaluation of
- 14 proposals, with evaluation of the construction to determine adherence to
- 15 the project performance criteria, and with any additional services
- 16 requested by the department to represent its interests in relation to a
- 17 project. The procedures used to hire such person or organization shall
- 18 comply with the Nebraska Consultants' Competitive Negotiation Act. The
- 19 person or organization hired shall be ineligible to be included as a
- 20 provider of other services in a proposal for the project for which he or
- 21 she has been hired and shall not be employed by or have a financial or
- 22 other interest in a design-builder or construction manager who will
- 23 submit a proposal.
- 24 Sec. 11. The department shall adopt quidelines for entering into a
- 25 design-build contract or construction manager-general contractor
- 26 contract. The guidelines shall include the following:
- 27 (1) Preparation and content of requests for qualifications;
- 28 (2) Preparation and content of requests for proposals;
- 29 (3) Qualification and short-listing of design-builders and
- 30 construction managers. The guidelines shall provide that the department
- 31 will evaluate prospective design-builders and construction managers based

- 1 on the information submitted to the department in response to a request
- 2 for qualifications and will select a short list of design-builders or
- 3 construction managers who shall be considered qualified and eligible to
- 4 <u>respond to the request for proposals;</u>
- 5 <u>(4) Preparation and submittal of proposals;</u>
- 6 (5) Procedures and standards for evaluating proposals;
- 7 (6) Procedures for negotiations between the department and the
- 8 design-builders or construction managers submitting proposals prior to
- 9 the acceptance of a proposal if any such negotiations are contemplated;
- 10 <u>and</u>
- 11 (7) Procedures for the evaluation of construction under a design-
- 12 <u>build contract to determine adherence to the project performance</u>
- 13 <u>criteria.</u>
- 14 Sec. 12. The process for selecting a design-builder and entering
- 15 <u>into a design-build contract shall be in accordance with sections 13 to</u>
- 16 16 of this act.
- 17 Sec. 13. <u>(1) The department shall prepare a request for</u>
- 18 qualifications for design-build proposals and shall pregualify design-
- 19 builders. The request for qualifications shall describe the project in
- 20 <u>sufficient detail to permit a design-builder to respond. The request for</u>
- 21 qualifications shall identify the maximum number of design-builders the
- 22 department will place on a short list as qualified and eligible to
- 23 <u>receive a request for proposals.</u>
- 24 (2) A person or organization hired by the department under section
- 25 10 of this act shall be ineligible to compete for a design-build contract
- 26 on the same project for which the person or organization was hired.
- 27 (3) The request for qualifications shall be (a) published in a
- 28 newspaper of statewide circulation at least thirty days prior to the
- 29 <u>deadline for receiving the request for qualifications and (b) sent by</u>
- 30 <u>first-class mail to any design-builder upon request.</u>
- 31 (4) The department shall create a short list of qualified and

- 1 eligible design-builders in accordance with the guidelines adopted
- 2 pursuant to section 11 of this act. The department shall select at least
- 3 two prospective design-builders, except that if only one design-builder
- 4 has responded to the request for qualifications, the department may, in
- 5 its discretion, proceed or cancel the procurement. The request for
- 6 proposals shall be sent only to the design-builders placed on the short
- 7 list.
- 8 Sec. 14. The department shall prepare a request for proposals for
- 9 <u>each design-build contract</u>. The request for proposals shall contain, at a
- 10 minimum, the following elements:
- 11 (1) The guidelines adopted by the department in accordance with
- 12 <u>section 11 of this act. The identification of a publicly accessible</u>
- 13 <u>location of the guidelines, either physical or electronic, shall be</u>
- 14 considered compliance with this subdivision;
- 15 (2) The proposed terms and conditions of the design-build contract,
- 16 including any terms and conditions which are subject to further
- 17 negotiation;
- 18 (3) A project statement which contains information about the scope
- 19 and nature of the project;
- 20 (4) A statement regarding alternative technical concepts including
- 21 the process and time period in which such concepts may be submitted,
- 22 <u>confidentiality of the concepts, and ownership of the rights to the</u>
- 23 <u>intellectual property contained in such concepts;</u>
- 24 <u>(5) Project performance criteria;</u>
- 25 (6) Budget parameters for the project;
- 26 (7) Any bonding and insurance required by law or as may be
- 27 additionally required by the department;
- 28 (8) The criteria for evaluation of proposals and the relative weight
- 29 of each criterion. The criteria shall include, but are not limited to,
- 30 the cost of the work, construction experience, design experience, and the
- 31 financial, personnel, and equipment resources available for the project.

- 1 The relative weight to apply to any criterion shall be at the discretion
- 2 of the department based on each project, except that in all cases, the
- 3 cost of the work shall be given a relative weight of at least fifty
- 4 percent;
- 5 (9) A requirement that the design-builder provide a written
- 6 statement of the design-builder's proposed approach to the design and
- 7 construction of the project, which may include graphic materials
- 8 illustrating the proposed approach to design and construction and shall
- 9 include price proposals;
- 10 (10) A requirement that the design-builder agree to the following
- 11 conditions:
- 12 (a) At the time of the design-build proposal, the design-builder
- 13 must furnish to the department a written statement identifying the
- 14 architect or engineer who will perform the architectural or engineering
- 15 work for the project. The architect or engineer engaged by the design-
- 16 builder to perform the architectural or engineering work with respect to
- 17 the project must have direct supervision of such work and may not be
- 18 removed by the design-builder prior to the completion of the project
- 19 without the written consent of the department;
- 20 (b) At the time of the design-build proposal, the design-builder
- 21 <u>must furnish to the department a written statement identifying the</u>
- 22 general contractor who will provide the labor, material, supplies,
- 23 equipment, and construction services. The general contractor identified
- 24 by the design-builder may not be removed by the design-builder prior to
- 25 completion of the project without the written consent of the department;
- 26 (c) A design-builder offering design-build services with its own
- 27 employees who are design professionals licensed to practice in Nebraska
- 28 must (i) comply with the Engineers and Architects Regulation Act by
- 29 procuring a certificate of authorization to practice architecture or
- 30 engineering and (ii) submit proof of sufficient professional liability
- 31 insurance in the amount required by the department; and

1 (d) The rendering of architectural or engineering services by a

- 2 <u>licensed architect or engineer employed by the design-builder must</u>
- 3 conform to the Engineers and Architects Regulation Act; and
- 4 (11) Other information or requirements which the department, in its
- 5 <u>discretion</u>, chooses to include in the request for proposals.
- 6 Sec. 15. The department shall pay a stipend to qualified design-
- 7 builders that submit responsive proposals but are not selected. Payment
- 8 of the stipend shall give the department ownership of the intellectual
- 9 property contained in the proposals and alternative technical concepts.
- 10 The amount of the stipend shall be at the discretion of the department.
- 11 Sec. 16. (1) Design-builders shall submit proposals as required by
- 12 the request for proposals. The department may meet with individual
- 13 <u>design-builders prior to the time of submitting the proposal and may have</u>
- 14 <u>discussions concerning alternative technical concepts. If an alternative</u>
- 15 technical concept provides a solution that is equal to or better than the
- 16 requirements in the request for proposals and the alternative technical
- 17 concept is acceptable to the department, it may be incorporated as part
- 18 <u>of the proposal by the design-builder. Notwithstanding any other</u>
- 19 provision of state law to the contrary, alternative technical concepts
- 20 shall be confidential and not disclosed to other design-builders or
- 21 members of the public from the time the proposals are submitted until
- 22 such proposals are opened by the department.
- 23 (2) Proposals shall be sealed and shall not be opened until
- 24 expiration of the time established for making the proposals as set forth
- 25 in the request for proposals.
- 26 (3) Proposals may be withdrawn at any time prior to the opening of
- 27 such proposals in which case no stipend shall be paid. The department
- 28 shall have the right to reject any and all proposals at no cost to the
- 29 department other than any stipend for design-builders who have submitted
- 30 responsive proposals. The department may thereafter solicit new proposals
- 31 using the same or different project performance criteria or may cancel

- 1 the design-build solicitation.
- 2 <u>(4) The department shall rank the design-builders in order of best</u>
- 3 <u>value pursuant to the criteria in the request for proposals. The</u>
- 4 department may meet with design-builders prior to ranking.
- 5 (5) The department may attempt to negotiate a design-build contract
- 6 with the highest ranked design-builder selected by the department and may
- 7 enter into a design-build contract after negotiations. If the department
- 8 is unable to negotiate a satisfactory design-build contract with the
- 9 highest ranked design-builder, the department may terminate negotiations
- 10 with that design-builder. The department may then undertake negotiations
- 11 <u>with the second highest ranked design-builder and may enter into a</u>
- 12 <u>design-build contract after negotiations. If the department is unable to</u>
- 13 negotiate a satisfactory contract with the second highest ranked design-
- 14 <u>builder</u>, the department may undertake negotiations with the third highest
- 15 <u>ranked design-builder</u>, if any, and may enter into a design-build contract
- 16 after negotiations.
- 17 (6) If the department is unable to negotiate a satisfactory contract
- 18 with any of the ranked design-builders, the department may either revise
- 19 the request for proposals and solicit new proposals or cancel the design-
- 20 <u>build process under sections 8 to 23 of this act.</u>
- 21 Sec. 17. (1) The process for selecting a construction manager and
- 22 entering into a construction manager-general contractor contract shall be
- 23 in accordance with this section and sections 18 to 20 of this act.
- 24 (2) The department shall prepare a request for qualifications for
- 25 construction manager-general contractor contract proposals and shall
- 26 prequalify construction managers. The request for qualifications shall
- 27 describe the project in sufficient detail to permit a construction
- 28 manager to respond. The request for qualifications shall identify the
- 29 maximum number of eligible construction managers the department will
- 30 place on a short list as qualified and eligible to receive a request for
- 31 proposals.

- 1 (3) The request for qualifications shall be (a) published in a
- 2 newspaper of statewide circulation at least thirty days prior to the
- 3 deadline for receiving the request for qualifications and (b) sent by
- 4 first-class mail to any construction manager upon request.
- 5 <u>(4) The department shall create a short list of qualified and</u>
- 6 eligible construction managers in accordance with the guidelines adopted
- 7 pursuant to section 11 of this act. The department shall select at least
- 8 <u>two construction managers</u>, except that if only one construction manager
- 9 has responded to the request for qualifications, the department may, in
- 10 <u>its discretion</u>, proceed or cancel the procurement. The request for
- 11 proposals shall be sent only to the construction managers placed on the
- 12 short list.
- 13 Sec. 18. <u>The department shall prepare a request for proposals for </u>
- 14 <u>each construction manager-general contractor contract. The request for</u>
- 15 proposals shall contain, at a minimum, the following elements:
- 16 (1) The guidelines adopted by the department in accordance with
- 17 <u>section 11 of this act. The identification of a publicly accessible</u>
- 18 <u>location of the guidelines, either physical or electronic, shall be</u>
- 19 <u>considered compliance with this subdivision;</u>
- 20 (2) The proposed terms and conditions of the contract, including any
- 21 terms and conditions which are subject to further negotiation;
- 22 (3) Any bonding and insurance required by law or as may be
- 23 additionally required by the department;
- 24 (4) General information about the project which will assist the
- 25 department in its selection of the construction manager, including a
- 26 project statement which contains information about the scope and nature
- 27 of the project, the project site, the schedule, and the estimated budget;
- 28 (5) The criteria for evaluation of proposals and the relative weight
- 29 of each criterion;
- 30 (6) A statement that the construction manager shall not be allowed
- 31 to sublet, assign, or otherwise dispose of any portion of the contract

- 1 without consent of the department. In no case shall the department allow
- 2 the construction manager to sublet more than seventy percent of the work,
- 3 <u>excluding specialty items; and</u>
- 4 (7) Other information or requirements which the department, in its
- 5 discretion, chooses to include in the request for proposals.
- 6 Sec. 19. (1) Construction managers shall submit proposals as
- 7 required by the request for proposals.
- 8 (2) Proposals shall be sealed and shall not be opened until
- 9 <u>expiration of the time established for making the proposals as set forth</u>
- in the request for proposals.
- 11 (3) Proposals may be withdrawn at any time prior to signing a
- 12 contract for preconstruction services. The department shall have the
- 13 right to reject any and all proposals at no cost to the department. The
- 14 department may thereafter solicit new proposals or may cancel the
- 15 construction manager-general contractor procurement process.
- 16 (4) The department shall rank the construction managers in
- 17 accordance with the qualification-based selection process and pursuant to
- 18 the criteria in the request for proposals. The department may meet with
- 19 <u>construction managers prior to the ranking.</u>
- 20 (5) The department may attempt to negotiate a contract for
- 21 preconstruction services with the highest ranked construction manager and
- 22 may enter into a contract for preconstruction services after
- 23 <u>negotiations</u>. If the department is unable to negotiate a satisfactory
- 24 contract for preconstruction services with the highest ranked
- 25 construction manager, the department may terminate negotiations with that
- 26 construction manager. The department may then undertake negotiations with
- 27 the second highest ranked construction manager and may enter into a
- 28 contract for preconstruction services after negotiations. If the
- 29 department is unable to negotiate a satisfactory contract with the second
- 30 highest ranked construction manager, the department may undertake
- 31 negotiations with the third highest ranked construction manager, if any,

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1 and may enter into a contract for preconstruction services after

- 2 <u>negotiations.</u>
- 3 (6) If the department is unable to negotiate a satisfactory contract
- 4 for preconstruction services with any of the ranked construction
- 5 managers, the department may either revise the request for proposals and
- 6 solicit new proposals or cancel the construction manager-general
- 7 contractor contract process under sections 8 to 23 of this act.
- 8 Sec. 20. <u>(1) Before the construction manager begins any</u>
- 9 <u>construction services</u>, the department shall:
- 10 (a) Conduct an independent cost estimate for the project; and
- 11 (b) Conduct contract negotiations with the construction manager to
- 12 <u>develop a construction manager-general contractor contract for</u>
- 13 <u>construction services.</u>
- 14 (2) If the construction manager and the department are unable to
- 15 negotiate a contract, the department may use other contract procurement
- 16 processes. Persons or organizations who submitted proposals but were
- 17 unable to negotiate a contract with the department shall be eligible to
- 18 compete in the other contract procurement processes.
- 19 Sec. 21. A design-build contract and a construction manager-general
- 20 contractor contract may be conditioned upon later refinements in scope
- 21 and price and may permit the department in agreement with the design-
- 22 builder or construction manager to make changes in the project without
- 23 invalidating the contract.
- 24 Sec. 22. The department may enter into agreements under sections 8
- 25 to 23 of this act to let, design, and construct projects for political
- 26 <u>subdivisions when any of the funding for such projects is provided by or</u>
- 27 through the department. In such instances, the department may enter into
- 28 contracts with the design-builder or construction manager. The provisions
- 29 <u>of the Political Subdivisions Construction Alternatives Act shall not</u>
- 30 apply to projects let, designed, and constructed under the supervision of
- 31 the department pursuant to agreements with political subdivisions under

- 1 sections 8 to 23 of this act.
- 2 Sec. 23. Nothing in sections 8 to 23 of this act shall limit or
- 3 reduce statutory or regulatory requirements regarding insurance.
- 4 Sec. 24. The department may adopt and promulgate rules and
- 5 <u>regulations to carry out the Transportation Innovation Act.</u>
- 6 Sec. 25. Section 39-1348, Revised Statutes Supplement, 2015, is
- 7 amended to read:
- 8 39-1348 Except as otherwise provided in sections 8 to 23 of this
- 9 act, when Before letting contracts for the construction, reconstruction,
- 10 improvement, maintenance, or repair of roads, bridges, and their
- 11 appurtenances, the department shall solicit bids as follows:
- 12 (1) For contracts with an estimated cost, as determined by the
- 13 department, of greater than one hundred thousand dollars, the department
- 14 shall advertise for sealed bids for not less than twenty days by
- 15 publication of a notice thereof once a week for three consecutive weeks
- 16 in the official county newspaper designated by the county board in the
- 17 county where the work is to be done and in such additional newspaper or
- 18 newspapers as may appear necessary to the department in order to give
- 19 notice of the receiving of bids. Such advertisement shall state the place
- 20 where the plans and specifications for the work may be inspected and
- 21 shall designate the time when the bids shall be filed and opened. If
- 22 through no fault of the department publication of such notice fails to
- 23 appear in any newspaper or newspapers in the manner provided in this
- 24 subdivision, the department shall be deemed to have fulfilled the
- 25 requirements of this subdivision; and
- 26 (2) For contracts with an estimated cost, as determined by the
- 27 department, of one hundred thousand dollars or less, the department, in
- 28 its sole discretion, shall either:
- 29 (a) Follow the procedures given in subdivision (1) of this section;
- 30 or
- 31 (b) Request bids from at least three potential bidders for such

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1 work. If the department requests bids under this subdivision, it shall

- 2 designate a time when the bids shall be opened. The department may award
- 3 a contract pursuant to this subdivision if it receives at least one
- 4 responsive bid.
- 5 Sec. 26. Section 39-1365, Reissue Revised Statutes of Nebraska, is
- 6 amended to read:
- 7 39-1365 The Legislature finds and declares that the highways of the
- 8 state are of the utmost importance to future development within the state
- 9 and that the following actions are necessary for such development: (1)
- 10 The accelerated completion of all improvement and expansion projects on
- 11 the Nebraska segments of the National System of Interstate and Defense
- 12 Highways; (2) the accelerated completion of improvement projects on state
- 13 highways with geometric and capacity deficiencies; (3) the resurfacing of
- 14 highways to protect pavement integrity; (4) the <u>accelerated completion of</u>
- 15 the expressway system, as such system was designated on January 1, 2016,
- 16 <u>prior to June 30, 2033</u> <u>development of a system of expressways, which</u>
- 17 shall include, but not be limited to, a north-south expressway; and (5)
- 18 the general upgrading of the state highway system concerning driving
- 19 surfaces and surfaced shoulders.
- 20 Sec. 27. Section 39-1365.02, Revised Statutes Cumulative Supplement,
- 21 2014, is amended to read:
- 22 39-1365.02 (1) The Department of Roads shall apply for and make
- 23 maximum use of available federal funding, including discretionary
- 24 funding, on all highway construction projects which are eligible for such
- 25 assistance.
- 26 (2) The Department of Roads shall transmit electronically to the
- 27 Legislature, by December 1 of each year, a report on the needs of the
- 28 state highway system, and the department's planning procedures, and the
- 29 progress being made on the expressway system. Such report shall include:
- 30 (a) The criteria by which highway needs are determined;
- 31 (b) The standards established for each classification of highways;

- 1 (c) An assessment of current and projected needs of the state
- 2 highway system, such needs to be defined by category of improvement
- 3 required to bring each segment up to standards. Projected fund
- 4 availability shall not be a consideration by which needs are determined;
- 5 (d) Criteria and data, including factors enumerated in section
- 6 39-1365.01, upon which decisions may be made on possible special priority
- 7 highways for commercial growth; and
- 8 (e) A review of the department's procedure for selection of projects
- 9 for the annual construction program, the five-year planning program, and
- 10 extended planning programs; -
- 11 (f) A review of the progress being made toward completion of the
- 12 <u>expressway system, as such system was designated on January 1, 2016, and</u>
- 13 whether such work is on pace for completion prior to June 30, 2033;
- 14 (g) A review of the Transportation Infrastructure Bank Fund and the
- 15 fund's component programs under sections 3 to 7 of this act. This review
- 16 shall include a listing of projects funded and planned to be funded under
- 17 each of the three component programs; and
- 18 (h) A review of the outcomes of the Economic Opportunity Program,
- 19 including the growth in permanent jobs and related income and the net
- 20 increase in overall business activity.
- 21 Sec. 28. Section 73-101, Reissue Revised Statutes of Nebraska, is
- 22 amended to read:
- 23 73-101 Whenever the State of Nebraska, or any department or any
- 24 agency thereof, any county board, county clerk, county highway
- 25 superintendent, the mayor and city council or commissioner of any
- 26 municipality, any entity created pursuant to the Interlocal Cooperation
- 27 Act or the Joint Public Agency Act, or the officers of any school
- 28 district, township, or other governmental subdivision, shall advertise
- 29 for bids in pursuance of any statutes of the State of Nebraska, on any
- 30 road contract work or any public improvements work, or for supplies,
- 31 construction, repairs, and improvements, and in all other cases where

- 1 bids for supplies or work, of any character whatsoever, are received for
- 2 the various departments and agencies of the state, and other subdivisions
- 3 and agencies enumerated in this section, they shall fix not only the day
- 4 upon which such bids shall be returned, received, or opened, as provided
- 5 by other statutes, but shall also fix the hour at which such bids shall
- 6 close, or be received or opened, and they shall also provide that such
- 7 bids shall be immediately and simultaneously opened in the presence of
- 8 the bidders, or representatives of the bidders, when the hour is reached
- 9 for the bids to close. If bids are being opened on more than one
- 10 contract, the officials having in charge the opening of such bids may, if
- 11 they deem it advisable, award each contract as the bids are opened.
- 12 <u>Sections 73-101 to 73-106 shall not apply to sections 8 to 23 of this</u>
- 13 <u>act.</u>
- 14 Sec. 29. Section 73-307, Revised Statutes Cumulative Supplement,
- 15 2014, is amended to read:
- 16 73-307 Sections 73-301 to 73-306 shall not apply to the Nebraska
- 17 Consultants' Competitive Negotiation Act, sections 8 to 23 of this act,
- 18 or section 57-1503.
- 19 Sections 73-301 to 73-306 shall not be construed to apply to
- 20 renewals of contracts already approved pursuant to or not subject to such
- 21 sections, to amendments to such contracts, or to renewals of such
- 22 amendments unless the amendments would directly cause or result in the
- 23 replacement by the private entity of additional permanent state employees
- 24 or positions greater than the replacement caused by the original
- 25 contract.
- Sec. 30. Section 81-1701, Revised Statutes Supplement, 2015, is
- 27 amended to read:
- 28 81-1701 The purpose of the Nebraska Consultants' Competitive
- 29 Negotiation Act is to provide managerial control over competitive
- 30 negotiations by the state for acquisition of professional architectural,
- 31 engineering, landscape architecture, or land surveying services. The act

- 1 does not apply to (1) contracts under section 57-1503, (2) or contracts
- 2 under subsection (4) of section 39-1349, or (3) contracts under sections
- 3 8 to 23 of this act except as provided in section 10 of this act.
- 4 Sec. 31. Section 84-612, Revised Statutes Supplement, 2015, is
- 5 amended to read:
- 6 84-612 (1) There is hereby created within the state treasury a fund
- 7 known as the Cash Reserve Fund which shall be under the direction of the
- 8 State Treasurer. The fund shall only be used pursuant to this section.
- 9 (2) The State Treasurer shall transfer funds from the Cash Reserve
- 10 Fund to the General Fund upon certification by the Director of
- 11 Administrative Services that the current cash balance in the General Fund
- 12 is inadequate to meet current obligations. Such certification shall
- include the dollar amount to be transferred. Any transfers made pursuant
- 14 to this subsection shall be reversed upon notification by the Director of
- 15 Administrative Services that sufficient funds are available.
- 16 (3) In addition to receiving transfers from other funds, the Cash
- 17 Reserve Fund shall receive federal funds received by the State of
- 18 Nebraska for undesignated general government purposes, federal revenue
- 19 sharing, or general fiscal relief of the state.
- 20 (4) On July 7, 2009, the State Treasurer shall transfer five million
- 21 dollars from the Cash Reserve Fund to the Roads Operations Cash Fund. The
- 22 Department of Roads shall use such funds to provide the required state
- 23 match for federal funding made available to the state through
- 24 congressional earmarks.
- 25 (5) The State Treasurer shall transfer a total of sixty-eight
- 26 million dollars from the Cash Reserve Fund to the General Fund on or
- 27 before June 30, 2013, on such dates and in such amounts as directed by
- 28 the budget administrator of the budget division of the Department of
- 29 Administrative Services.
- 30 (6) The State Treasurer shall transfer ten million dollars from the
- 31 Cash Reserve Fund to the General Fund on or before June 30, 2013, on such

1 date as directed by the budget administrator of the budget division of

- 2 the Department of Administrative Services.
- 3 (7) The State Treasurer, at the direction of the budget
- 4 administrator of the budget division of the Department of Administrative
- 5 Services, shall transfer not to exceed forty-three million fifteen
- 6 thousand four hundred fifty-nine dollars in total from the Cash Reserve
- 7 Fund to the Nebraska Capital Construction Fund between July 1, 2013, and
- 8 June 30, 2017.
- 9 (8) The State Treasurer shall transfer fourteen million five hundred
- 10 thousand dollars from the Cash Reserve Fund to the Nebraska Capital
- 11 Construction Fund on or before June 30, 2015, on such date as directed by
- 12 the budget administrator of the budget division of the Department of
- 13 Administrative Services.
- 14 (9) The State Treasurer shall transfer fifty million five hundred
- 15 thousand dollars from the Cash Reserve Fund to the General Fund on or
- 16 before December 31, 2014, on such date as directed by the budget
- 17 administrator of the budget division of the Department of Administrative
- 18 Services.
- 19 (10) The State Treasurer shall transfer up to five million five
- 20 hundred thousand dollars from the Cash Reserve Fund to the Republican
- 21 River Compact Litigation Contingency Cash Fund on or before June 30,
- 22 2015, on such dates and in such amounts as directed by the budget
- 23 administrator of the budget division of the Department of Administrative
- 24 Services.
- 25 (11) The State Treasurer shall transfer up to seventeen million two
- 26 hundred one thousand one hundred twelve dollars from the Cash Reserve
- 27 Fund to the General Fund on or before June 30, 2015, on such date and in
- 28 such amount as directed by the budget administrator of the budget
- 29 division of the Department of Administrative Services.
- 30 (12) The State Treasurer shall transfer twenty-five million dollars
- 31 from the Cash Reserve Fund to the Nebraska Capital Construction Fund on

- 1 or after July 1, 2015, but before July 15, 2015, on such date as directed
- 2 by the budget administrator of the budget division of the Department of
- 3 Administrative Services for the Global Center for Advanced
- 4 Interprofessional Learning.
- 5 (13) The State Treasurer shall transfer eight million dollars from
- 6 the Cash Reserve Fund to the Oral Health Training and Services Fund, on
- 7 or after July 1, 2015, but before July 15, 2015, on such date as directed
- 8 by the budget administrator of the budget division of the Department of
- 9 Administrative Services.
- 10 (14) The State Treasurer shall transfer the following amounts from
- 11 the Cash Reserve Fund to the Nebraska Capital Construction Fund on such
- 12 dates as directed by the budget administrator of the budget division of
- 13 the Department of Administrative Services:
- 14 (a) Seven million eight hundred four thousand two hundred ninety-two
- dollars on or after June 15, 2016, but before June 30, 2016;
- 16 (b) Seven million one hundred sixty thousand four hundred twelve
- 17 dollars on or after June 15, 2019, but before June 30, 2019;
- 18 (c) Nine million four hundred ninety-two thousand five hundred
- 19 sixty-eight dollars on or after June 15, 2021, but before June 30, 2021;
- 20 and
- 21 (d) Three million seven hundred eighty-three thousand seven hundred
- 22 thirty-four dollars after June 15, 2023, but before June 30, 2023.
- 23 (15) The State Treasurer shall transfer fifty million dollars from
- 24 the Cash Reserve Fund to the Transportation Infrastructure Bank Fund, on
- 25 or after July 1, 2016, but before July 15, 2016, on such date as directed
- 26 <u>by the budget administrator of the budget division of the Department of</u>
- 27 <u>Administrative Services for expenditures authorized by sections 3 to 7 of</u>
- 28 this act.
- 29 Sec. 32. Original sections 39-1365 and 73-101, Reissue Revised
- 30 Statutes of Nebraska, sections 39-1365.02 and 73-307, Revised Statutes
- 31 Cumulative Supplement, 2014, and sections 39-1348, 81-1701, and 84-612,

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- 1 Revised Statutes Supplement, 2015, are repealed.
- 2 Sec. 33. Since an emergency exists, this act takes effect when

3 passed and approved according to law.